

SECRETARIAT

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	ADCI		X		
2	DDCI				
3	EXDIR		X		
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO				
8	DDS&T		X		
9	Chm/NIC	X			
10	GC				
11	IG				
12	Compt				
13	D/OCA				
14	D/PAO				
15	D/PERS				
16	D/Ex Staff				
17	NIO/S&T		X		
18	C/TTAC		X		
19	D/SOVA		X		
20	D/OGI		X		
21	ER				
22					

SUSPENSE _____
Date _____

Remarks

HS
Executive Secretary

13 Feb '87

Date

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THE WHITE HOUSE

WASHINGTON

February 13, 1987

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF COMMERCE
THE SECRETARY OF ENERGY
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE UNITED STATES TRADE REPRESENTATIVE
THE ASSISTANT TO THE PRESIDENT FOR POLICY
DEVELOPMENT
THE DIRECTOR, OFFICE OF SCIENCE AND TECHNOLOGY

SUBJECT: Approval of Outline for NSSD 7-87 (C)

As provided for in NSSD 7-87, the Chairman of the Senior Inter-agency Group on the Transfer of Strategic Technology (SIG-TT) has submitted to the NSC an outline of the study effort on National and Multilateral Export Controls. The outline (attached) is approved as submitted. Given the difficulties of reaching consensus in some areas, a draft of the study effort reflecting all agency policy alternatives should be submitted through the Chairman of the SIG-TT to the Assistant to the President for National Security Affairs no later than February 20th. This will give the Senior Policy Group adequate time to review the study alternatives before final recommendations are made to the President in early March. (C)

The initial drafting assignments are the responsibility of the Chairman of the SIG-TT. However, all agencies will be given an opportunity to review the entire report to ensure that their views are included. In those cases where interagency consensus is not reached, the Chairman of the SIG-TT will ensure that agency positions are accurately reflected in the document due February 20. (C)


Frank C. Carlucci

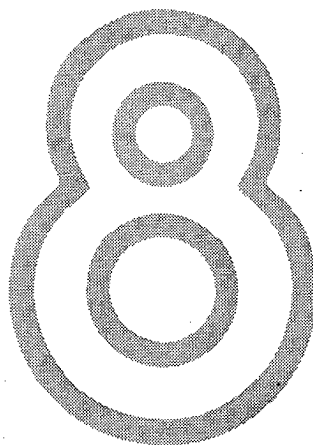
Attachment
Tab A NSSD Outline

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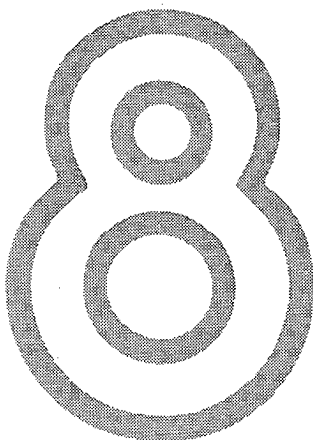
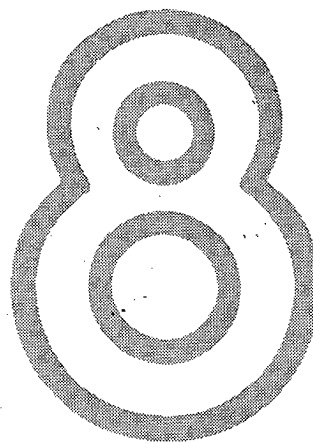
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NSSD 7-87



A.



CONFIDENTIALNSSD 7-87: National and Multinational
Strategic Export ControlsBackground

NSSD 7-87 directs a review of the export control program, with recommendations to the President by early March. This outline addresses the issues raised in the NSSD as well as those raised in the Competitiveness Initiative announced January 27. The NSSD broadly directs study of the policies, objectives, organization and priorities employed in the formulation and execution of national and multilateral export controls. The outline permits these elements to be addressed.

As background to form the basis of the work to be done, each agency assigned first-draft responsibilities will review and take into account relevant documents, directives and studies, including, but not limited to, the EAA of 1979, as amended; the COCOM IL; the CCL; the MCTL; the NAS study; and previous studies. Studies prepared by the Intelligence Community should also be employed as appropriate.

Outline

- I. The Strategic Rationale for U.S. and Multilateral Export Controls (CIA with DOD)
 - The need for sophisticated technology in the military context
 - The security threat and the role of a high tech defense
 - Soviet attempts to gain access to militarily relevant Western technology
- II. US Strategic Export Controls and US Competitiveness (State with USTR/Commerce)
 - Security export controls and US competitiveness
 - NAS study conclusions
 - The West-West dimension
 - The West-East dimension
 - The role of reexport controls

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III. National and Multinational Controls (State with DOD/DOC)

- Organization and structure for US COCOM List Review and case processing
- Reduction in COCOM multinational control lists
- Measures to simplify COCOM List Review procedures
- Views of COCOM allies
- Reduction in National List

IV. National and International Enforcement (DOC with Customs/CIA)

- US enforcement organization and structure
- Harmonization of enforcement among COCOM members
- Strengthening of controls over targetted technologies and products

V. US Unilateral Controls and Foreign Availability (DOC)

- US unilateral controls, including reexport controls
- The process and decision-making in foreign availability findings

VI. The US Licensing Process (DOC with DOD)

- US licensing procedures in West-West and West-East trade
- Administrative improvements
- Further reduction in license processing times
- Improvements in dispute resolution process
- Improvement in US case presentation to COCOM
- Regulatory issues and simplification

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VII. Harmonization of COCOM Licensing (DOC)

- Standardization of COCOM-member licensing practices within COCOM
- Bulk licensing issues
- Implications of perspective removal of EC internal licensing requirements

VIII. Third Country Cooperation (State)

- US Third Country Initiative (TCI) objectives
- Role of COCOM allies in TCI
- Harmonization of licensing practices to third countries

IX. Improvements in Administration of National Export Controls (State/DOD/DOC/DOE/Customs/OMB/CIA)

- Internal agency specific improvements
- Interagency administrative improvements
- Automation in the licensing process

X. Appropriate Liberalization of PRC Export Controls (State)

- Rationale for further liberalization
- Rate and scope of further liberalization

XI. The following schedule is suggested

Feb 12	Meeting to exchange first drafts of assigned papers
Feb 18	Written comments on papers due
Feb 25	Circulate revised drafts

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Feb 27 Meeting to discuss draft

Mar 5 Submission of draft to Chairman of SIG-TT

Mar 8 Submission of SIG-TT Chairman's
recommendations and policy initiatives to
the Assistant to the President for National
Security Affairs

Mar 10 Submission to President

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